

Message Text

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60

ACTION AF-18

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DRC-01 /097 W

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FM AMEMBASSY PRETORIA

TO SECSTATE WASHDC 8746

INFO AMCONSUL CAPE TOWN

AMCONSUL DURBAN

AMCONSUL JOHANNESBURG

C O N F I D E N T I A L PRETORIA 3687

E.O. 11652 N/A

TAGS: BTRA, PINT, SCUL, SF

SUBJ: ROCKFELLER VISIT

REF: (A) CAPE TOWN 640 (B) DURBAN 352 (C) PRETORIA 3661

SUMMARY. ROCKFELLER PARTY RECEIVED COUNTRY TEAM BRIEFING DURING WORKING DINNER PRETORIA OCTOBER 1. LATER ATTENDED FINANCE MINISTER'S RECEPTION FOR LARGE NUMBER FINANCIAL WORLD VISITORS TO SA FOLLOWING NAIROBI MEETINGS AND MET LARGE NUMBER BUSINESS PEOPLE IN JOHANNESBURG DINNER HOSTED BY STANDARD BANK. HE FOUND PRIME MINISTER UNYIELDING AND HARD LINER ON SA PROBLEMS IN THEIR PRIVATE MEETING. VISIT OBVIOUSLY USEFUL REORIENTATION FOR JUDGEMENTS ON FUTURE ACTIVITIES CHASE IN SA. IN PRESS CONFERENCE HE NOTED LOCALLY EXPRESSED OPINION THAT INVESTMENT IMPORTANT ALL SEGMENTS POPULATION AND VIEW THAT U.S. BUSINESS CAN PLAY CONSTRUCTIVE ROLE IN SA. END SUMMARY.

1. CHASE MANHATTAN CHAIRMAN DAVID ROCKFELLER AND PARTY CAME DIRECTLY TO PRETORIA LATE AFTERNOON OCTOBER 1 FOLLOWING CAPE
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TOWN STOP FOR WORKING DINNER AT CHARGE'S

RESIDENCE WHERE GROUP WAS BRIEFED BY COUNTRY TEAM MEMBERS. IN CAPSULE, CENTRAL THEME OF EXCHANGES WITH PARTY WAS RECOGNITION OF ANOMALY OF OBSERVED ATTITUDINAL CHANGE CONTRASTED WITH HARD LINE CURRENTLY BEING DISPLAYED BY NAT LEADERSHIP (EG. THREATS TOWARD PRESS AND OTHER REPRESSIVE MOVES). AS DESCRIBED BY MEMBER PARTY, VISIT DESIGNED GIVE ROCKEFELLER FIRST-HAND UPDATING FOR FUTURE DISCUSSIONS AND DECISIONS ON ROLE OF BANK IN SOUTH AFRICA. EMERGED DURING DISCUSSION THAT CHASE HAS UNDERTAKEN PROVIDE TRAINING ASSISTANCE AFRICAN BANK PROJECT DURING RECENT MOTSUENYANE IV GRANT TRIP TO U.S.

2. ROCKEFELLER CALLED ON PRIME MINISTER OCTOBER 2 AND LATER IN DAY ATTENDED FINANCE MINISTER DIEDERICH'S RECEPTION TO WHICH UPWARDS 130 OF THE FOREIGN FINANCIAL OFFICIALS AND BUSINESS PEOPLE VISITING SA IMMEDIATELY AFTER NAIROBI BANK AND FUND MEETINGS INVITED AS WELL AS CHIEFS OF DIPLOMATIC MISSIONS AND LEADING SA GOVERNMENT AND BUSINESS PEOPLE. IN EVENING HE WAS GUEST OF HONOR AT DINNER FOR 120 HOSTED BY STANDARD BANK CHAIRMAN, IAN MACKENZIE.

3. ROCKEFELLER AND MEMBERS PARTY ACCOMPANYING HIM IN CALL ON PM WERE TAKEN ABACK SOMEWHAT BY TOUGH UNYIELDING ATTITUDE REFLECTED BY VORSTER. WHEN ROCKEFELLER ALLUDED TO USSALEP CONTRETEMPS AND BEMUSEMENT WITH ATTACK ON COUNCIL FOREIGN RELATIONS, VORSTER MADE CLEAR HE SHARED RESENTMENT USSALEP ACTIVITIES AND DESCRIBED THESE AS KIND OF "MEDDLING" HE "DID NOT LIKE". (SEE ALSO PRETORIA 3644).

4. IN REMARKS TO STANDARD BANK DINNER GROUP, ROCKEFELLER PAID TRIBUTE TO EXCELLENCE KENYA ARRANGEMENTS AND HANDLING IMF/IBRD MEETINGS. HE EMPHASIZED THAT IT NOT EXPECTED THAT MEETINGS WOULD CONCLUDE MONETARY REFORM AND STRUCK OPTIMISTIC NOTE THAT MATTER WOULD BE WORKED OUT SATISFACTORILY. AFFAIR SOMEWHAT MARRED BY CLUMSY SPEECH BY DR. W.J. BUSSCHAU, PAST CHAMBER MINES OFFICIAL, SCHEDULED TO THANK ROCKEFELLER FOR HIS REMARKS. BUSSCHAU MADE OVERDRAWN DEFENSE OF GOLD AND USED CRUDE AFRIKAANS LANGUAGE PARA-PHRASE FOR SPECIAL DRAWING RIGHTS TO DENIGRATE CONCEPT.

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5. OCTOBER 3 PAPERS QUOTED ROCKEFELLER FROM OCTOBER 2 PRESS CONFERENCE THAT HE AWARE DIVERGENT VIEWS ON ADVISABILITY INVESTING IN COUNTRY WHOSE POLICIES ABHORRENT TO MANY PEOPLE BUT SAID "PEOPLE I HAVE TALKED TO HERE ARE OF OPINION THAT FINANCIAL INVESTMENT HERE IS ADVANTAGEOUS NOT ONLY TO ONE SEGMENT OF THE POPULATION BUT TO ALL CONCERNED". SAID THERE NO PRESSURE ON CHASE TO WITHDRAW AND HE THOUGHT ACTIONS AMERICAN BUSINESS HAD SOFTENED ATTITUDES OF CERTAIN PRESSURE GROUPS IN

U.S. ADDED HIS ORGANIZATION DID NOT (RPT NOT) INTEND STOP
INVESTING IN SA AND HAD ROLE TO PLAY IN IMPROVING COMMUNICATIONS
AND BETTER UNDERSTANDING THROUGH TRADE RELATIONS. SAID OF
CHANGES SINCE LAST VISIT 14 YEARS AGO, THERE APPEARED MORE
OPPORTUNITIES INDUSTRIAL EMPLOYMENT BLACKS, THAT WAGE SCALES
HAD INCREASED SIGNIFICANTLY AND THERE TENDENCY PAY EQUAL PAY
FOR EQUAL WORK. SAID HE PARTICULARLY PLEASED STANDARD BANK,
IN WHICH CHASE HAD HOLDINGS, HAD POLICY EQUAL PAY FOR EQUAL WORK.
IN REPLY TO QUESTION, HE INDICATED CHASE WOULD CONSIDER
HOMELAND INVESTMENT IF PRACTICAL OPPORTUNITIES AROSE,
ALTHOUGH NO SPECIFIC PROPOSALS YET MADE. (SEE ALSO PRETORIA
3661). ON MONETARY REFORM, POINTED OUT IT GENERALLY AGREED
GOLD SHOULD NOT BE PRINCIPAL ASSET IN SYSTEM AND ROLE BOTH
GOLD AND DOLLAR SHOULD BE DIMINISHED.
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